



I AM NEARING RETIREMENT. NOW WHAT?

Managing Your Retirement Accounts

YOUR RETIREMENT MONEY – COMPETING GOALS



Cover ongoing **EXPENSES** and
major **PURCHASES**



Make money last entire **LIFETIME**



Provide for **SPOUSE** and
LOVED ONES



Don't underspend and fail to
ENJOY retirement!

SEE IF YOU ARE ON TRACK

Have you
SAVED enough?

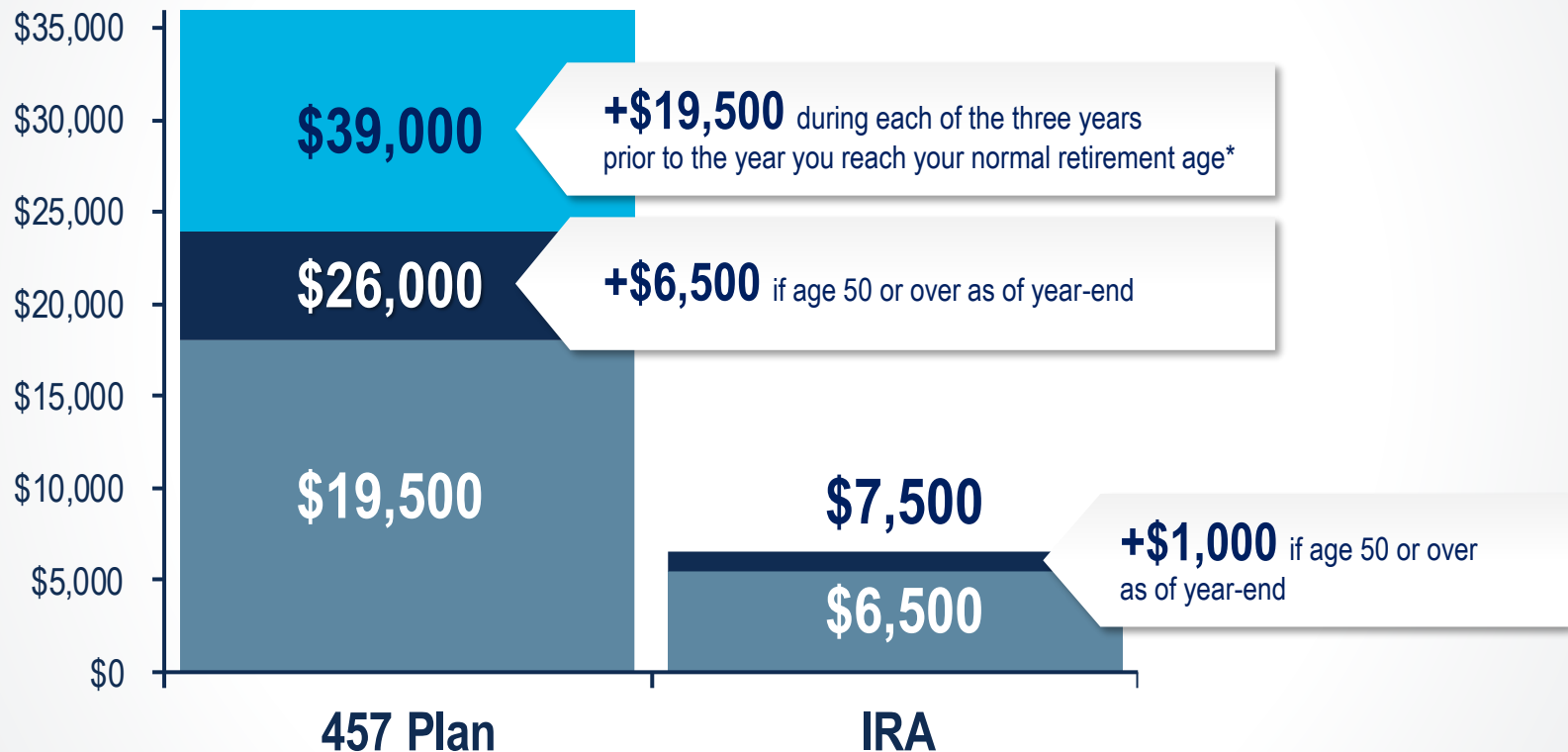


What will your
EXPENSES be?



How much pension and Social
Security **INCOME** will you get?

CAN YOU MAXIMIZE YOUR 2021 CONTRIBUTIONS?



You May Be Able To Contribute Accrued **SICK & VACATION LEAVE**

* "Normal retirement age," as defined in the plan and based on extent to which maximum contributions not made in previous years. The two catch-up provisions cannot be combined in the same plan year.

UNDERSTAND KEY RISKS



KNOW YOUR WITHDRAWAL OPTIONS

You have **FLEXIBLE** options upon separation

REVISE ANY TIME

- ▶ Single Payments – all or part of your balance
- ▶ Installment Payments
 - ▶ Specified amount
 - ▶ Specified time period
 - ▶ COLA option
- ▶ Lifetime Income Payments

FINE-TUNE YOUR STRATEGY

1 RETIREMENT WITHDRAWAL CALCULATOR

2 RESULTS

How much money do I need?

How long will my money last?

How much money can I withdraw?

How much money do you expect to have at retirement?

\$ 0

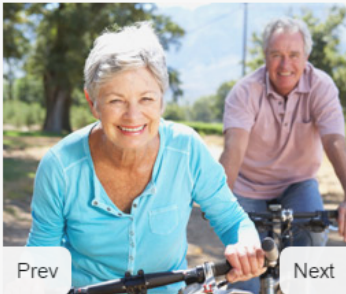
How much do you expect to need each year in retirement?

\$ 15000

What rate of return do you expect on your savings in retirement?

5 %

Quick Tips



PrevNext

Create a Financial Plan

Financial plans are not just for the wealthy. You can get a snapshot, goal-specific, or comprehensive plan. Learn more about these options from your ICMA-RC representative.

Estimate how long your money will last and how much you can withdraw – Ask your retirement professional for details

PLAN FOR TAXES

Withdrawals **TAXABLE** as ordinary income

- ▶ **EXCEPT** after-tax contributions, Roth assets*
- ▶ **20% WITHHELD** – you'll owe more or less than that
- ▶ **STATE TAXES** may apply, too
- ▶ **10% PENALTY TAX BEFORE AGE 59½** – 401 plans (not 457) and IRAs, unless exception applies**

* Earnings subject to tax if distribution is not qualified under IRS rules.

** *Non-457* plan assets rolled to a 457 plan and then withdrawn pre age 59½ may be subject to tax. For penalty tax exceptions, view IRS Form 5329 Instructions or your tax adviser.
ICMA-RC nor Nationwide does not offer specific tax or legal advice.

PLAN FOR RMDs

Yearly, taxable, required withdrawals

- ▶ Beginning in year you turn **AGE 72***
- ▶ If fail to take, **SUBJECT TO 50% PENALTY**
- ▶ We **SEND** to you yearly upon notification of separation**

* Can delay for current employer's plan. Roth IRAs not subject to RMDs unless inherited

** You control how and when payments are received. IRA RMDs are not automatically distributed.

EXPLORE ROLLOVER PROS AND CONS

Consolidate retirement accounts to simplify?

- ▶ **COMPARE** investment fees, options, and services
- ▶ **UNDERSTAND** tax rules for different types of accounts
- ▶ **REMINDER:** 457 plan assets rolled to non-457 plans lose the automatic penalty tax exception



QUESTIONS?